



Understanding Transition at DoD Authorities, Best Practices, and Tools/Resources

Prepared by the DON SBIR/STTR Programs



Understanding Phase III Authority

- Any work that derives from, extends, or completes an effort made under prior SBIR/STTR Funding Agreements, but is funded by sources other than the SBIR/STTR programs. [\[Policy Directive \(PD\) 4\(c\)\]](#)
- Small business size limits do not apply. [\[PD 4\(c\)\(6\)\]](#)
- A Phase III awardee may have received a prior Phase I or Phase II award, been novated a Phase I or Phase II award, or be a successor-in-interest entity. [\[PD 6\(a\)\(5\)\]](#)
- May be any type of contract, including a subcontract, for products, production, services, R/R&D, or any combination. [\[PD 4\(c\)\(4\)\]](#)
- Competition is not required for a Phase III award [\[PD 4\(c\)\(3\)\]](#); however, Justification and Approval (J&A) may be required by some agencies.
- Non-Federally funded Phase III: Commercial application including R/R&D, testing/evaluation of products, services, or technologies for use in technical or weapons systems. [\[PD 2\(e\)\(3\)\]](#)
- Federally Funded Phase III: Non-SBIR/STTR funding for SBIR/STTR-derived, products, or services intended for use by the Federal Government and/or to continue SBIR/STTR work, including R/R&D. [\[PD 4\(c\)\(1\)\]](#)
- No limit on the number, duration, type, or dollar value of Phase III awards.
- Agencies shall issue Phase III awards to the awardee that developed the technology under an SBIR/STTR award, to the greatest extent practicable, consistent with an Agency's mission and optimal small business participation. [\[PD 4\(c\)\(7\)\]](#)

Transition Best Practices

- Research transition potential of the topic before proposing – what is the transition endpoint?
- Talk to the Technical Point of Contact (TPOC) during BAA pre-release – understand the requirement and explore transition endpoint.
- Request Technical and Business Assistance (TABAs) – can be used for customer discovery.
- Develop a relationship with TPOCs and/or Sponsors.
- Obtain feedback from public and private sector markets. Is there potential for dual use?
- Engage with different types of buyers (i.e., user and purchaser).
- Understand the VALUE of the technology, not just the features.
- Determine funding necessary to advance & transition. Do not rely on SBIR/STTR funding!
- Assemble the right team (i.e., personnel and partners).

Authorities to Help Transition

1. **Technical and Business Assistance (TABAs)** [\[PD 9\(b\)\]](#)
 - Funding for Phase I/II awardees to enter into agreements for business and/or technical assistance: up to \$6.5K in addition to the Phase I award; up to \$50K per project as part of the Phase II award.
 - Requests for TABAs must be included in proposals and approved by the Program Office.
 - Accepting TABAs may restrict awardees from participation in other Agency-sponsored programs.
2. **Commercialization Readiness Program (CRP)** [\[PD 12\(b\)\]](#)
 - Authority to identify high priority projects with the potential for rapid transition.
 - Administrative support (not direct funding to SBIR/STTR projects) to accelerate transition.
3. **Second (Sequential) Phase II** [\[PD 4\(b\)\(5\)\(6\)\(7\)\]](#): Additional Government-requested Phase II contract awarded under the same topic, and to the same small business, and for the same project; awarded without competition. Continues work on the 1st Phase II project; resulting Phase II work must be within scope of original topic.
4. **Subsequent Phase II** [\[PD 4\(b\)\(7\)\]](#): Government-requested Phase II contract award to a Phase I awardee, **and** from an Agency or organization other than the original topic owner. Must follow originating Agency's competitive Phase II selection requirements. Resulting Phase II award must be within scope of original topic but not duplicate any previous Phase II tasking (initial award).
5. **Matching Funds/Cost Sharing** [\[PD 4\]](#): Non-SBIR/STTR funds on a Phase II project to express interest or commitment from a Program Office. May be required for (1) CRP assistance; (2) Expansion/Phase II.5; (3) Second Option on a Phase II; (4) Sequential Phase II; (5) Subsequent Phase II.



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DoD Transition Programs

1. **DON Catapult**

- Leverages prior SBIR investment to accelerate technology development to meet Naval priorities with a 2nd Phase II award.
- Eligible small business concerns and projects may be nominated by a Naval customer at any time and are approved based on priority of Naval need, availability of SBIR funding, and potential of additional non-SBIR funding.

2. **OSD Transitions SBIR/STTR Technologies (OTST) Program** [<https://www.defensesbirstr.mil/OTST/>]

- Accelerates technology and transition into Programs of Record through shared SBIR and Program investment and helps bridge the valley of death.
- Provides Sponsoring Programs with the right tools to select the best OTST project and to identify Phase II technologies that have a high potential of transition.
- Provides investment strategies to mature and transition the technologies.

3. **Air Force Strategic Funding Increase and Tactical Funding Increase (STRATFI/TACFI)**

- FY25 STRATFI selections are ongoing. FY25 TACFI notice and announcement are coming late CY 2024.
- Go to <https://afwerx.com/divisions/ventures/stratfi-tacfi/> for more details including past recordings of AMAs and overview briefs on these commercialization opportunities, eligibility requirements, award amounts, and matching options.
- Phase III guidance: <https://afwerx.com/divisions/ventures/phase-iii/>

4. **Army SBIR/STTR Transition**

- CATALYST accelerates tech transition via liaising amongst small business, Army transition partners, and integrators (awards up to \$15 million).
- Acquisition-centric program management via multiple direct, layered and synchronized prize competitions and SBIR|STTR projects.
- Army Phase III FAQs: <https://www.armysbir.army.mil/phase/phase-iii/#faqs>

Additional Navy Tools and Resources

1. **Navy Phase III Guidebook** – https://navysbir.com/docs/DON-SBIR_STTR_Phase-III_Guidebook_V2-2020.pdf

2. **Technology Transition Plan/Agreement** – documents the fiscal, technical, and transition commitments of participants to develop, deliver, and integrate a technology/product into an acquisition program.

3. **Transition Support Teams** – liaisons between the SBIR/STTR office and technical organizations to provide a variety of transition support services to awardees; refer to Agency-specific websites for details.

4. **Navy Launch**

- Facilitates opportunity and growth beyond the traditional defense market.
- 10-month Navy-funded program for Phase II awardees to Educate + Accelerate + Scale.

5. **Navy SBIR/STTR Transition Program (STP)** [<https://www.NavySTP.com>]

- 11-month program for Navy Phase II awardees that provides services by business consultants and market researchers to assist with technology transition through mentoring, education, and networking services.
- STP participants are 17% more likely to commercialize than non-STP participants.

6. **DoN SBIR/STTR Experimentation Cell (DoN-SEC)** [<https://www.navysbir.com/sec>]

- Connects innovators with the experimentation community to deliver innovative solutions to the warfighter.
- Full spectrum of end-to-end facilitation, mentoring, and training in all aspects of experimentation.
- All DON awardees eligible to participate.